# GOVERNMENT OF INDIA
# ROAD TRANSPORT AND HIGHWAYS
# LOK SABHA

UNSTARRED QUESTION NO:2229
ANSWERED ON:10.03.2016
PPP and EPC Model
Kharge Shri Mallikarjun

**Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:**

(a) whether the Government has moved from a Public Private Partnership (PPP) model to Engineering Procurement Construction (EPC) model for developing road projects;

(b) if so, the details thereof;

(c) whether this shift has caused any backlog of ongoing projects, if so, the details thereof; and

(d) the list of projects likely to be taken up under this new EPC model?

## Answer

THE MINISTER OF STATE IN THE
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

(SHRI PON. RADHAKRISHNAN)

(a) to (d) The comparatively lower response to Public-Private Partnership (PPP) mode in the recent past is due to economic reasons, non-availability of equity with the concessionaires and other construction, land acquisition and regulatory clearances related issues. Under such a situation, National Highways Authority of India (NHAI) takes up road projects under Engineering, Procurement, Construction (EPC) mode and Hybrid Annuity Model, when the project is not found viable on PPP under Build-Operate-Transfer (BOT) (Toll) mode. Hybrid Annuity Model is sometimes preferred as it enables achievement of greater length of highway construction as compared to EPC mode due to its lower initial capital investment requirements. Since the mode is decided based on the viability and other analysis of the project, it is not possible to provide such a list of future projects to be undertaken on EPC mode. While, BOT (Toll) mode continues to be the default mode, other modes are chosen when any project is not found viable on BOT (Toll).

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